

Business process outsourcing - BPO

As organizations around the world strive to improve the quality of their processes while managing their bottomlines, **Business process outsourcing** has become the new imperative. We, at Wipro Spectramind, largest third-party offshore BPO (**Business process outsourcing**) provider in India, partner with our clients to provide a full spectrum of BPO services covering all five levels:

- Data entry
- Rules-set processing
- Decision making
- Direct customer interface
- Expert knowledge services

Business process outsourcing (BPO) experience

We further club our vast IT solutions experience of two decades and a diverse domain expertise to serve Fortune 500 customers worldwide. For example, a leading Fortune global PC manufacturer chose Wipro Spectramind for **outsourcing** technical support to achieve significant cost savings while improving and maintaining the quality of service delivery to its customers. [More](#)

[Fact sheet](#)

[How we do it](#)

[What it means for you](#)

Our **Business Process Outsourcing** portfolio includes end-to-end solutions across a spectrum of industries:

Service Offering

Customer Interaction Services

- [Customer Services](#)
- [Telemarketing Services](#)
- [Technical Support Services](#)
- [IT Help Desk Services](#)

Business Optimisation Services

Industry Administration Services

- [Insurance Processing](#)
- [Mortgage Processing](#)

Knowledge Services

(BOSs™)

- [HR Processing Services](#)
- [Finance & Accounting Solutions](#)
- [Procurement Solutions](#)

India's largest third party offshore BPO provider with a full spectrum of BPO services

Founded by Raman Roy in March 2000. Raman Roy and his team is credited with pioneering the remote services industry in India

Became a subsidiary of Wipro LTD (NYSE:WIT) in July 2002

Fortune 100 client base across a wide range of industries

Headquarters located in New Delhi, India with six state-of-the-art facilities in Mumbai, Pune and Chennai and global offices in US, UK and Canada

An experienced top management team, and over 9300 full-time employees handle more than 4 million calls & 500,000 e-mails per month coupled with an equal number of back-office transactions

Proven quality program based on three foundations: Six Sigma, Kaizen and COPC certification

Mature and tested service delivery model and processes

Robust infrastructure with built-in Telecom and Architectural redundancies for risk mitigation

Over 7500 workstations spread across 500,000 square feet in various locations

Received the "top call center company" award by Voice & Data 2002

Raman Roy Chairman & Managing Director, Wipro Spectramind was awarded Data Quest "Path Breaker of the Year Award 2002"

At Wipro Spectramind, our years of experience with the world's leading companies have helped us understand how technology can help global businesses meet their needs. Our [2T₂ delivery model](#) encompasses multiple processes and methodologies to take the surprise out of projects and do a smooth transition management for our customers

Wipro Spectramind Service Delivery Model

For BPO projects, we follow the Wipro Spectramind Service Delivery Model, which is a robustly defined framework to manage the complete BPO process migration and transition management and has been developed based on the experience gained from migrating more than 390 remote business processes to India over the past ten years. This proven service transfer platform is designed to ensure process integrity and minimize inherent migration risks.

The model includes a tried and tested [Transition Toolkit](#) to support transition management by ensuring that there is a documented methodology with formats, tools, guidelines and past learnings in place to aid the transition team in de-risking the transition of a customer's processes and reducing the pain of migration as much as possible. A coordinated project management system captures critical client documentation and incorporates an extensive knowledge base that assists the transition management team in understanding, duplicating, and migrating mission-critical business processes.

GlobeGain

GlobeGain, our mature and proven global delivery model, provides significant time and cost advantages (reduced costs as much as 35% in the first 18 months). With state-of-the-art communication facilities and infrastructure, our offshore centers work as a virtual extension of your office providing 24x7 service. A pioneer in offshore software development model in early 90s, Wipro currently has one of the largest base of nearshore & offshore development centers (over 30 ODCs for clients)

Providing technical support to large PC manufacturer in the US

The Customer

Fortune 500 client with worldwide operations

Process Outsourced

Voice based technical support services.

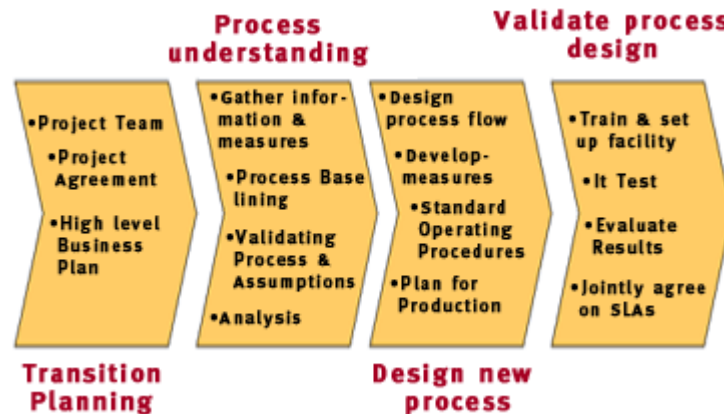
The Challenge

The client utilizes several outsourcing partners in the US who provide technical support services. Their objective was to move a significant number of technical support seats to India in order to reduce costs while sustaining customer satisfaction levels.

Service Delivery Methodology

The first phase - pre-analysis is conducted to identify and prioritize processes to be transitioned. The client, in this case, had already identified that process to be transitioned. Next, an analysis was conducted wherein transition resources (cross functional team of SMEs in training, technology, quality, operations, etc.) from our team studied documentation on the processes - process maps, Standard Operating Procedures (SOPs)/manuals, training material, performance data, process metrics etc. A three-week analysis phase was conducted to understand the client's process requirements. Our analysis team visited 2 client locations in the US, followed the service delivery methodology to understand the process and develop a Transition plan.

The blueprint from analysis was used to transition the processes to off shore. Analysis included the following four steps that helped us understand, validate and adapt existing process to make them remote compatible.



Once the transition team identified all the requirements and baseline them with the client, operations team took over the process.

Process Transitioning

Understanding Baseline Service Levels

Based on data available from the customer, service levels were discussed and baselined during process transition.

Training and Certification

Client trainers then traveled to India to train the first two batches of technical support engineers (TSEs) and our trainers. The first two batches also included operations managers and supervisors, who worked closely with the client trainers to understand the process.

Based on soft skill evaluation and technical scorecards, associates were grouped into performance categories. Each category of associates goes through a separate certification route, keeping in mind their areas of improvement and requirements for re-training or additional training.

Coaching and Monitoring

When TSEs began handling live calls, they were monitored by our managers and by the client. TSEs were audited on specific quality parameters and the audit scores were calibrated between the managers at both ends. This process was, and continues, to be supported by continuous monitoring of the identified client's critical performance measures.

We met or exceeded most of the defined SLAs within 90 days of process Transition to India. For areas where the SLAs were not met, our quality team conducted root cause analysis.

Sharing Best Practices

For areas where one team was doing better than the others, the TSEs were encouraged to share best practices in daily huddles and improvements were implemented to reach consistency in quality.

In addition, the TSEs were encouraged to find ways of improving their sub-processes, in order to use ground-up innovation to achieve the SLAs.

Current Status

The process started with a group of 25 TSEs, which has now been ramped to over 700 TSEs and it continues to grow. The scope of work has now been expanded to include other business

units and customer products. The client has achieved significant cost savings while maintaining and improving quality.

Business Process Outsourcing Overhyped?

By [Thor Olavsrud](#)

September 2, 2003

Business Process Outsourcing (BPO), in which firms turn over many back-office functions to outside vendors, has been hyped as one of the next big things in IT, but research firms warn that cost savings garnered through such deals may not be all they're made out to be.

Citing its recently released report, "BPO's Fragmented Future," Forrester Research ([Quote](#), [Chart](#)) said "firms looking to outsource core business processes like human resources, and finance and administration to gain cost savings will not find a single vendor that can manage such complex offerings."

Forrester said that while it believes the BPO market will grow to \$146 billion in 2008, the marketplace will fragment as vendors focus on individual BPO segments like simple bulk transactions, broad shared services, high-volume vertical processes, and niche vertical applications.

Noting that it surveyed 82 senior business and IT executives and held in-depth interviews with 12 early BPO adopters, the Forrester said many organizations experimenting with BPO reported inflexible contracts, difficulty managing vendors, and a lack of performance metrics.

"Although some firms show BPO savings, vendors overstate their current offerings," John C. McCarthy, Forrester Group director, said.

Research firm Gartner ([Quote](#), [Chart](#)), noting that firms are most likely to utilize a combination of delivery models as they move toward BPO, suggested that those interested in the model not ignore the possibilities of offshore insourcing to complement outsourcing. In offshore insourcing, Gartner explained, firms set up their own offshore captive "shared service centers," allowing them to retain control while providing their own data security.

"The rewards and risks of offshore BPO are just beginning to be understood," said Sujay Chohan, research vice president for Gartner. "As enterprises and service providers evolve, it has become clear that there is no right model for a given company. Instead, enterprises will use parts of a model or a combination of models as they begin to explore and iron out the issues around sending business processes offshore. No enterprise will fully insource or outsource offshore. Most will use a combination of delivery models as they climb the learning curve to BPO."

In its report, "Offshore Insourcing vs. Offshore Outsourcing," Gartner suggested three criteria for evaluating the use of offshore insourcing vs. offshore outsourcing.

First, the firm said, enterprises should consider the reason for outsourcing in the first place. "Is it to focus on our core business, to improve service levels, to benefit from industry best practices or to reduce transaction costs? At the present time, cost is the

key driver for offshore BPO, although cost reductions can be achieved via a captive center if the enterprise has a large quantity of transactions. Additional cost reductions can be derived only from a scalable, multiclient operation," Gartner said.

Secondly, Gartner said enterprises need to consider the specific processes they want to outsource. It said repetitive, transaction-intensive processes are the best choices for offshore outsourcing, but noted that many enterprises looking at end-to-end business processing don't want to give up control of the process because of strategic and security concerns. In this situation, the firm said, offshore insourcing or captive-shared service centers are viable options.

Finally, Gartner said firms need to consider how well the function is performed currently. If the enterprise currently has better-than-industry benchmarks, offshore insourcing may be the best bet, Gartner said. On the other hand, if the metrics show less-than-average process performance, outsourcing might be the better option.

Meanwhile, Forrester found that while most of the executives it surveyed reported their companies didn't spend much on BPO in 2002, 52 percent said they were considering outsourcing and planned to spend at least \$1 million on BPO in 2004. They cited human resources, customer resources, customer service procurement and accounting as the most likely processes for outsourcing.

The largest segment in the BPO market will be simple bulk transactions, Forrester said, predicting the segment will grow to \$58 billion in 2008. This segment includes simple tasks like credit card or stock trade processing, and Forrester said the segment is the simplest for vendors to master. The firm added that ACS, Fidelity Investments, State Street and Unisys will likely dominate the market.

The second largest segment will be broad shared services, representing \$57 billion by 2008, Forrester said. This segment includes finance and administration, indirect procurement and human resources. Noting the segment requires more understanding by employees than simple bulk transactions, Forrester predicted that ACS and Mellon HR Solutions will expand into the HR side of the segment, while big IT systems integrators will battle over finance and accounting.

High-volume vertical processes will represent a significantly smaller segment, at \$6 billion in 2008, Forrester said. The firm predicted that vertical processes, including policy administration, claims and loan process applications, will remain a small piece of the segment. It also suggested that offshore IT providers and large U.S. outsourcers, including the likes of Accenture and CSC, will battle for turf in the segment.

The smallest segment will be niche vertical applications, which Forrester predicted would reach \$5 billion in 2006, though it also suggested the segment would surge forward after customers become comfortable with outsourcing these tasks, reaching \$24 billion in 2008. Niche vertical applications include complex processes like environmental data reporting and chemical process control monitoring, which Forrester said requires deep specialization. The firm pointed to Ingenero and RMSI as among the small BPO vendors that specialize in the area.

Free Your Resources and Focus on Your Strategy

An important aspect of **business process outsourcing** is its ability to free corporate executives from some of their day-to-day **process**

management responsibilities. Traditionally, executives spend 80 percent of their time managing details, and only 20 percent on strategy. Once a **process** is successfully outsourced, the ratio can be reversed. Executives get more control over their most valuable resource: time. Time to explore new revenue streams, time to accelerate other projects, and time to focus on their customers.

Improve Processes and Save Money

Companies that outsource **business** processes are often able to reengineer those processes and capture new efficiencies. Then they can reallocate resources to other important projects and leverage their investment in technology. For example, processes that are handled in a shared production environment for multiple companies save everyone money. In most cases, high-caliber subject-matter experts are brought in to design and manage these processes, bringing with them best practices, innovation, and years of experience that most companies don't have access to or can't afford on their own.

Increase Your Capabilities

With this expertise often comes increased capability. In addition to doing things more efficiently, you can expand your ability to deliver new products and services to your customers. Then there are the factors of scalability and scope. Companies that want to grow internationally must continuously invest in infrastructure and find talent around the world. Many **outsourcing** providers are already established globally and can help make the growth **process** run smoothly.

As the drive toward creating business value through outsourcing accelerates, it is all the more evident just how closely business processes are intertwined with their enabling IT infrastructure. And how business goals -- from cutting costs to increasing shareholder value -- cannot be achieved unless business processes are supported by both an outsourcing strategy and a solid IT infrastructure.

See how EDS can free you from the day-to-day management and make a big impact with business process outsourcing.